

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
FILING OF REID VILLAGE WATER) CASE NO. 2012-00346
DISTRICT)

ORDER

On July 19, 2012, Reid Village Water District (“Reid Village”) filed its application for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Reid Village purchases water from Mount Sterling Water and Sewer System (“Mount Sterling”).
2. On August 1, 2012, Mount Sterling increased its volumetric wholesale rate to Reid Village from \$2.34 per 1,000 gallons to \$2.41 per 1,000 gallons.
3. Reid Village proposes to apply a purchased water adjustment factor of \$0.08 per 1,000 gallons to its rates.
4. Reid Village proposes to adjust its rates on August 1, 2012.
5. During the 12 months ending May 31, 2012, Reid Village purchased 65,858,810 gallons of water from Mount Sterling. It sold 63,779,211 gallons of water during the same period.
6. The purchased water adjustment factor of \$0.08 per 1,000 gallons is fair, just, and reasonable and should be approved.

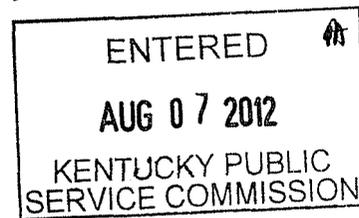
¹ KRS 278.015; 807 KAR 5:068.

7. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Reid Village renders on and after August 1, 2012.

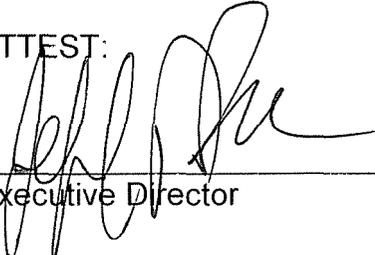
IT IS THEREFORE ORDERED that:

1. Reid Village's proposed rates are approved.
2. The purchased water adjustment factor of \$0.08 per 1,000 gallons, as calculated in Appendix A, is approved.
3. The rates in Appendix B are approved for service rendered on or after August 1, 2012.
4. Reid Village's proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00346 DATED **AUG 07 2012**

	New Rate	Base Rate
Mount Sterling		
Purchases in gallons	65,858,810	65,858,810
Volumetric rate	<u>\$2.41/1,000</u>	<u>\$2.34/1,000</u>
	\$158,719.73	\$154,109.62
Increased water cost		\$4,610.11
Increased water cost		\$4,610.11
Divided by gallons sold/1,000		<u>63,779,211</u>
Purchased water adjustment factor		\$0.0722
		or \$0.08 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00346 DATED **AUG 07 2012**

The following rates and charges are prescribed for the customers in the area served by Reid Village Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Rates

First	2,000 gallons	\$18.41	Minimum Bill
Next	1,000 gallons	5.96	per 1,000 gallons
Next	2,000 gallons	5.50	per 1,000 gallons
Next	5,000 gallons	5.03	per 1,000 gallons
Over	10,000 gallons	4.55	per 1,000 gallons

Don Crabtree
Chairman
Reid Village Water District
903 Winchester Road
Mt. Sterling, KY 40353